



**Report on Sustainability Workshop with  
Peace Diamond Alliance Executive Committees  
of Kono and Tongo Fields**

**Prepared by Management Systems International  
Under USAID Cooperative Agreement No. 636-A-00-03-00003-00**



**Sierra Leone**  
47 Wellington Street  
Freetown - Sierra Leone  
Phone: (232)-22-227-7241  
Cell: 232-76-665-797  
e-mail: [dipam@sierratel.sl](mailto:dipam@sierratel.sl)  
[www.peacediamonds.org](http://www.peacediamonds.org)



**U.S.A.**  
600 Water St., SW  
Washington, D.C.  
(202) 484-7170  
e-mail: [mfanning@msi-inc.com](mailto:mfanning@msi-inc.com)  
[www.msiworldwide.com](http://www.msiworldwide.com)

## **Report on Work with Executive Committees on Sustainability of the Peace Diamond Alliance**

On Monday, September 27, 2004, Management Systems International's (MSI's) Dr. Gloria Fauth and Mark Renzi facilitated a session with the Koidu and Tongo Fields Executive Committees of the Peace Diamond Alliance (PDA) to develop strategies to promote the sustainability of the PDA. Funding for this work came from USAID Cooperative Agreement No. 636-A-00-03-00003.

### **A. First, the group was asked to respond to the following question: *Why should the PDA be kept alive and healthy?* The responses were as follows:**

The PDA should be made sustainable because it:

- Creates opportunities for people to work together on issues such as policy, narrowing the gap between the exploited and the exploiters
- Responds to the need to create wealth
- Develops and establishes a system of checks and balances for the diamond industry
- Creates opportunities for employment, and income generation for people
- Promotes peace and prosperity in Sierra Leone
- Helps to control corruption in the diamond industry especially smuggling
- Serves as a means to empower people by providing alternatives to mining, e.g., community development opportunities, strengthening the economy, psycho-social development, skill training and other educational opportunities and increasing the capacity of the political base
- Can direct the energy of our youth in positive ways
- Creates an awareness of the potential of the diamond industry for economic development in Sierra Leone
- Ensures that the profits from diamonds are equitably shared
- Assists in the management of conflicts related to the use of diamond resources
- Creates and encourages improved environmental management

Given these ideas the group concluded that the following four major and unique contributions of PDA are:

- Continues to provide a “voice” for the people of the community in regard to diamond management.
- Provides an example of a different approach to mining to both Sierra Leoneans and the international community and demonstrates the benefits of working together in public/private partnerships.
- Provides an inclusive, safe and impartial forum where people can discuss and resolve diamond related issues.
- Establishes industry standards for being a part of the PDA.

**B. The Establishing Sustainability Table, (see below) was distributed to and reviewed with the group by Mr. Renzi.**

The table presents the three aspects of sustainability that MSI has found critical in its work with NGOs, CBOs, and networks around the world: political, institutional, and economic. Most start-up organizations, faced with dire economic challenges, prioritize their concerns from “right to left”. That is, they worry most about getting their hands on funds, then worry about building up the systems and controls to use those funds effectively. Finally, after all of that, they begin to focus on their reason for being: their members, beneficiaries, allies, or customers. That is a recipe for failure. The reverse is the case: community-based or membership-based organizations, such as the PDA, must make their highest priority to provide valued services to their constituents and to manage effectively the political aspects of the program on which their survival depends. Nearly concurrently they must develop their institutional capacity to provide those services. Finally, when they have a firm political base, and are competent institutionally, they can successfully recruit funds.

## ESTABLISHING SUSTAINABILITY

Why should the PDA be kept alive and healthy?

POLITICAL	INSTITUTIONAL	ECONOMIC
What are we doing to develop and maintain political support from:	What type of institutional structure do we need?	What resources do we need and how will we acquire them?
• Political parties	• Legal identity/framework	
• Local government bodies, e.g., local, district, town councils	• Organizational procedures and manuals	
• Traditional Leaders	• Physical plant	
• Members of Parliament	• Human resources and their development	
• Your constituency	• Skills: planning, management, financial, monitoring and evaluation	
• Cooperatives		
HOW?	HOW?	HOW?

**C. Each of the columns was discussed, in the context of the PDA, as these emerged from the discussion during the workshop:**

**1. The most urgent priority for the PDA is to work on *Political Sustainability*.**

The “Political” column, above, lists a number of important political players whose support is essential to the success and survival of the PDA. The most important of those is the PDA’s constituency. If an organization does not have the support of its constituency – in the case of PDA, its members and the mining community stakeholders – it will soon cease to exist. It will not be able to “speak for the people” and will become irrelevant in the policy arena. “Job Number One” in this regard is for each Executive Committee (EC) member to report to his/her constituencies on the outcomes of EC meetings and to obtain input from those constituencies on issues that are important to them. This means raising constituency issues at EC meetings and larger policy forums. It was agreed that the EC had generally not been successful in this regard during its first year of operations and that improving constituency/EC member communication should be a high priority area for improvement in the coming year. “Job Number Two”, equal in importance, is for the EC to provide services that are valued by the membership. The EC is still in the early stages of considering services it could offer. This topic will be an important one to consider as MSI and the PDA work towards implementing the Integrated Diamond Management (IDM) program.

**2. *Institutional Sustainability* must also be addressed as an urgent priority for the PDA ECs.**

Institutional capacity must be sufficient for the EC to represent the interests of its constituencies, to keep pace with the service demands of the constituencies, and to permit efficient management of resources. This will require that ECs assess their institutional capacities along a range of areas: representation of constituencies, management, finance, human resources, external relations, etc. consistent with the dimensions of the Community Management Profile used by the Kono EC earlier. Based on that analysis, MSI can provide technical assistance and training/mentoring to improve skills and build capacity. Much of the infrastructure required to be effective will be made available to the EC by sharing the infrastructure already at MSI’s disposal (such as transportation, office space, equipment, etc.), thanks to USAID funding.

It was noted that the Kono and the Tongo Fields Executive Committees must maintain a collaborative relationship between the two committees and soon need to consider the exact nature of their institutional relationships.

**3. *Economic Sustainability*, while very important, is actually the third priority among these three elements.**

The two most likely routes to sustainability include donor contributions and income-generating activities. Donor contributions will become more viable as the ECs become entities that truly represent local and business interests and which provide real services to their constituencies (the Political Sustainability column) and as they are proven being capable of managing resources effectively and accountably (the Institutional Sustainability column.) MSI has been successful in attracting funds from the World Bank

for the PDA ECs this year. MSI will help the ECs attract more funds if the ECs work at improving their Political and Institutional sustainability in the coming year. If that goes well, the ECs should be able to apply for their own funds soon. In the coming year, we can also begin to consider income-generating activities, most likely tied to highly valued services to constituencies.

#### **D. MSI Assistance in Sustainability**

MSI will work closely with the ECs to work towards sustainability. MSI has been discussing this for some time with the ECs. It has provided technical assistance through Dr. Fauth on two occasions and managed to obtain an institutional strengthening grant from the World Bank. While MSI will continue to help the ECs on this path, the EC members themselves must do the bulk of the hard work.

Specifically, it will not be a “hand-out” approach. To begin with, the ECs have not yet been proven capable of managing funds directly and MSI would not be allowed to supply funds to them directly. But, in the meantime, we can work with the ECs to help them make decisions with resources held by the project. Demonstration of prudent management of World Bank and USAID resources will provide the kind of track record needed to attract other funds.

MSI will work hand-in-hand with the ECs to ensure that they become, over time, self-sufficient, provided that EC members work hard toward this objective. The timetable for self-sufficiency is difficult to state at this point. It will depend on the progress of the ECs in achieving the tasks of political, institutional and economic maturity.

Mr. Renzi reviewed the overall design and objectives of the Diamond Sector Reform Program. He highlighted that U.S. taxpayers provide funds for this program. Decisions about the allocation of taxpayer’s dollars are made in the U.S. Congress and then funds are passed on to USAID, and then to MSI in a contractual partnership. Thus, MSI must assume responsibility to USAID, the U.S. Congress and ultimately to the taxpayers for how the allocated project funds are utilized. He informed participants that the overall goal of the Diamond Sector Reform process is to preserve peace by increasing diamond benefits to the people of Sierra Leone. The PDA Support Team and the PDA Executive Committees must work together closely in order to achieve the goals of the project.

#### **E. Notes from Flipcharts During Group Discussion**

Subsequently, the group discussed the issues related to the three aspects of sustainability: political, institutional and economic factors. A summary of these discussions follows:

##### **1. Political Factors**

*Question: What are we doing to develop and maintain political support from:*

- Political Parties?
- Local government e.g., local, district and town councils?

- Traditional Leaders?
- Members of Parliament?
- Your (individual) constituencies e.g., miners, diggers, CBOs, women, etc.?
- Mining Cooperatives?
- Civil Society Organizations/Labor Unions?

Possible Strategies:

With Political Parties:

- Identify and develop relationships with individuals connected to party in power
- Encourage and arrange visits by the President and other influential persons
- Establish monthly meetings with the President
- With Local Government:
- Ensure that there is representation of the district and town councils on the Executive Committees of PDA
- Get grass roots input and report PDA activities to the grass roots people
- Support the district council in its efforts to rehabilitate mining sites
- With Traditional leaders: Participation of the traditional leaders at all levels is essential
- With Members of Parliament:
- Will require a carefully thought-out strategy
- Formally present PDA to individual Members of Parliament
- With Individual Constituencies: Ensuring that your constituency is accurately represented to the PDA and/or Executive Committee in a timely way
- With Cooperatives and Civil Society Organizations: strategies not yet developed

2. **Institutional Factors: Strategy is to utilize the technical support from MSI so that skills can be transferred to PDA.**
3. **Economic Factors: participants were divided into three groups and responded to different questions as follows:**

*Group 1: How do we make PDA attractive to external donors?*

Possible Strategies:

- Insure that the Executive Committee has a legal identity
- Insure effective management systems by developing and implementing 1) financial management systems that are transparent and accurate, implement procedures and reporting that is clear and easily understood make financial statements public on a regular basis, 2) human resource management; recruiting the right person for the right job, 3) monitoring and evaluation, self-evaluation to correct actions/plans when these do not seem to be working
- Conduct professional development for staff: training, attending conferences, seminars

- Establish a good track record: adopt measures aimed at controlling corruption, ensure proper procedures, have stringent measures
- Ensure that beneficiaries have the opportunity to provide input into project proposals by conducting workshops and consultations that take heed of local beneficiary input, conducting phone-in programs
- Identify clearly the “product” we are “selling”

***Group 2: What income generating potentials/opportunities do we have or could we develop?***

Possible Strategies:

- We have: land, human resources, donor support
- *We could develop:* more effective, efficient land use for mining, farming, physical infrastructure; capacity building at all levels, both for individuals and organizations; managing our finances properly so that we can both save and acquire funds; thinking about and developing ways in which we can deliver services and make money e.g., charging a fee for workshops, other educational programs etc.; managing our time more efficiently and effectively

***Group 3: What local resources can be mobilized now and in the future?***

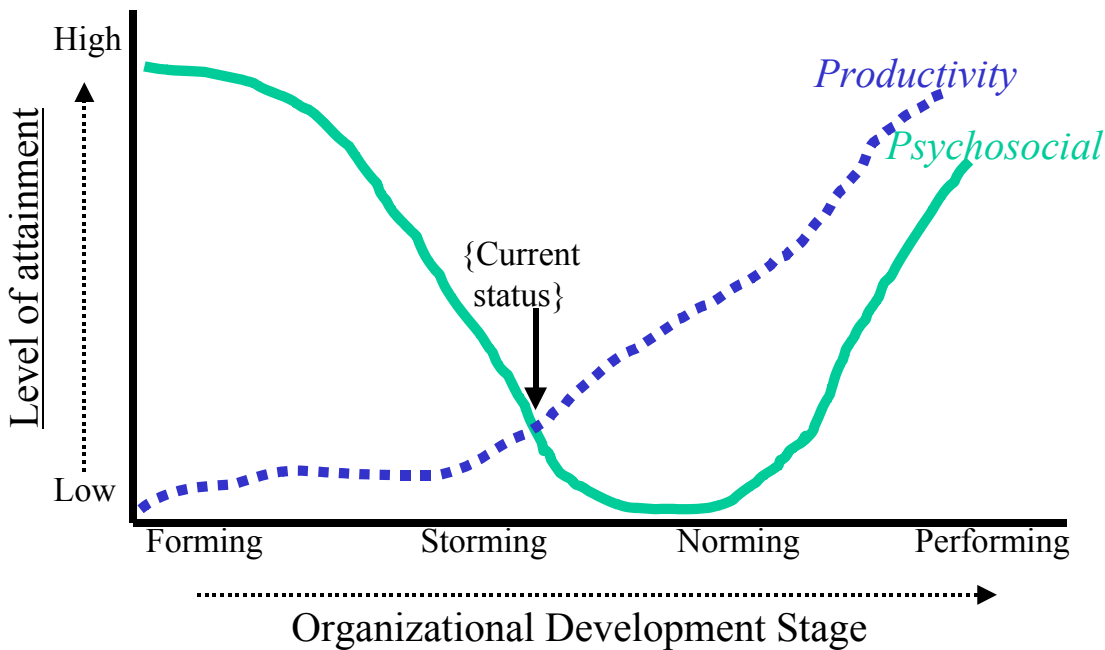
Possible Strategies:

- Human Resources: security personnel, traditional leaders, women, youths, civil society including CBOs, politicians through local councils; local professionals e.g., administrators, lawyers, accountants etc.
- Material Resources: land (mining, farming) water, forest, air (environment)
- Time: Learning to manage our time efficiently and effectively
- Infrastructure Resources: schools, conference halls, health post centers, water points (wells, dams, falls), feeder roads, recreational centers

## **F. Conceptualizing the Executive Committees’ Paths to Development**

A model of team development was presented defining the group development stages as *Forming*, *Storming*, *Norming*, and *Performing*. The model includes both psychosocial and productive processes. The figure below represents the discussion graphically.

### Graphic Representation of Path of PDA Executive Committee Capacity Development



In the case of the psychosocial trend (solid line on above graph), in the *Forming* stage the group starts at a high level, as members are excited about the new team and its possibilities. As the group moves into the *Storming* stage the psychosocial trend takes a dip down and picks up again during the *Norming* stage and reaches its highest point in the *Performing* stage. Conversely, productivity (broken line on above graph) is normally low at the *Forming* stage but increases as the team enters into the *Norming* and *Performing* stages.

The group was asked to discuss where they are presently in regard to their developmental stage. The group agreed that they were moving into the *Norming* stage but had some unresolved issues remaining in the *Storming* stage (see “current status” arrow in above graph). It was pointed out that this was a developmentally appropriate stage for this team at this time and that as the team moved through the Norming stage that both morale and productivity would increase.